Preserved

App. F. IX-4

Previous References 1927-30 (L. M.)

File No. 4-29

Serial Nos. 5 to 7

preserve

Later References

L M. 12-30-(1-3)
L M 165-30 (1 to 5)
L-M. 13-31 (1-4, 6, 7)

General and Revenue Secretariat.

L-M. 21-32 (1-2)

p 21 IV

Serial Nos. 3.

Part B for May 1930

SUBJECT

Drafts of the amendments to the Bye-laws & Rules of the Land mortgage Bank.

Sl. 7. Nr. G. 13306 Dt. 12.5.30.

To The Registrar of Co-operative Societies
~~Revenue Commr.~~ in Mysore
President Land Mortgage Bank
The Compiler Mysore gazette

Makes certain modifications in the Rules of the Mysore Co-operative Land mortgage Bank

Spn. 6374..

On the 15th April 1930 Rajasabhabhushana Mr. K.R. Srinivasa Iyengar met the Dewan and the Third Member of Council in order to discuss questions relating to the Land Mortgage Bank. The Registrar of Co-operative Societies and the Financial Secretary were also present.

BYE-LAWS AND RULES.

The amendments proposed by the Deputy Registrar may be revised with reference to the following decisions:-

(1) The Land Mortgage Bank need not be allowed to grant loans of less than Rs.2,000/- to individuals. (In areas in which local mortgage societies are constituted the Bank should not lend money directly to individuals.

(2) The President should be nominated by Government and not elected by the General Body of members.

(3) No society or individual should be permitted to obtain ~~A~~ loans exceeding 16 times the share capital of the Bank subscribed ~~for~~ by such society or individual member.

If revised drafts are accordingly submitted. If approved, they can be sent informally to Mr K. R. Srinivasa Iyengar to peruse & suggest before issue

Dhan Hawley

17/4

10056/17/4

3/ Ex 18/4/30

4/ The Regr's proposals have just been received. Please put up 19/4

General and Revenue Secretariat.

File No. [illegible] of 1924

Serial No.	
5	From the Registrar Co-operative Societies no. 5816 G/ 19.4.1930 Submits a statement showing the amendments to be made in the bye laws of the Land Mortgage Bank & in the rules in regard to the relationship between the Bank & the local L.M. Societies. 5/. Subd for orders with reference to para above. In the bye laws as now sent from the Registrar there are some minor differences between those enclosed to the draft fr. eg. 42(4) & 57(a) & 61. DRA 21/4/30 4) substitute bye laws 59 & 61 as in Registr's draft & put up a fr. letter to Mr K.R. Sreenivasa Iyengar DRA 21/4 3) draft rcd. ...d. DRA 21/4 8) Issue 21.4.30 Issued — D.O. no G. 1860 G/30 dt 23/4

Note—Contn. Sheet

PTO

6374.

App. F. 111—2]

General and Revenue Secretariat | File No. 4 of 1929. X.14 (3)

Serial No.

from the Principal, Law School
Do no. 1575 G 26/28th April 1930
Returns the draft amendments to bye laws & Rules with a note containing his opinion thereon
1) Chief Sec's order thereon:-
"Read 29.4.30. Acknowledge with thanks & put up at once"
Sd/- V.M.
29/4

2) Draft & fair acknowledgg dispatched
Sd/
29/4
Cr.

3) Issued
29.4.30

Issued vide G.1286 dtd 29.4.30

4) Rule omitted after issue as agreed. The amendments proposed are indicated in pencil in draft rules & bye laws. The amendments proposed to other bye laws & rules are also for orders.
Sd/ KD
29/4 A. Secy

30/4/30

5) The important changes suggested by the Srirangam Dyeings are
1) the substitution of the words "pass up" for "subscribed" in Bye law 42

GENERAL SECTION
30 APR. 1930

ote—Contn. Sheet

General and Reven Secretariat

File No. L M - 4 of 192 C

Serial No.

The effect of this will be still further to restrict the amount of loans that might be granted.

2) the raising of the maximum rate of interest ~~that~~ chargeable to the societies by ½%. Vide below 44 ii (a) & (b).

The new changes suggested are mostly of a verbal character.

The proposals of Mr Srinivasa Iyengar may I think be accepted

Secy Revenue 2/5

Agreed by 2/5/30

RR 2/5/30 Secy 2/5

May the drafts issue?

Secy 2/5/30

CHIEF SECRETARY. 5 MAY 1930

Yes, subject to Mr Ramchandra

Secy 2/5

The changes are been embodied in the draft rules in pencil, may two drafts issue? & further amendments

JAM/KP AH

Note—Contn. Sheet

WD 066—GPB—30,000—26-7-29

66 4

General and Revenue Secretariat | File No. LM:4 of 1929

Serial No.	
	Suggested by Mr K R. Srinivasa Iyengar to Byelaws 51, 67 & 69 have also been incorporated in the draft. It is for orders if the file has once again to be submitted to the third member as no reference to these further amendments suggested was specifically made in the Chief Secy's Note dy 1.5.30 before submission to the 3rd member.
	K.P. — Not necessary the Chief Secy. in 12/5 personally instructed me to embody the further amendments also in the draft, as may now issue as revised
	Ca 12/5/30
6	To The Registrar of C.S.
	The Revenue Commr
	The President, M. M. Bank
	No 13303-5 dt. 12.5.193
	Makes certain modifications in the Byelaws of the Mysore Cooperative Land Mortgage Bank
7	The Compiler, Mysore Gazette
	No 13306 dt 12.5.1930
	Makes certain modifications in the Rules of the Mysore Cooperative Land Mortgage Bank
	To The Registrar of C.S.
	The Revenue Commr
	The President of the M. M. Bank
	No 13304-9 dt 12.5.1930.
	Forwards a copy of the abo

Note—Contn. Sheet

Press for

WD 066—GPB—30,000—26-7-29

No. 68.

DEPARTMENT OF CO-OPERATION.

GENERAL MISCELLANEOUS BRANCH 6203

Office of the Deputy Registrar of Co-operative Societies in Mysore.

Mr. M. S. RAMCHENDRA RAO, B.A.,
Deputy Registrar.

Dated, Bangalore, 4t April 193 0.

Dear Mr. Rama Rao,

I beg to enclose herewith, for perusal, a statement, marked A, showing the amendments to the By-laws of the Bank and the Rules under the Co-operative Societies Regulation, following the decisions at the meeting held in the Chambers of the Third Member of Council on the 1st instant.

The Member was pleased to discuss the subject again with me on the 3rd instant when I submitted certain alternative suggestions to him. These were that the Land Mortgage Bank may be permitted to grant loans direct to individual borrowers without fixing any minimum limit, but subject to two conditions viz., (1) that this practice shall obtain only during the first two years of the working of the Bank and that thereafter the Bank shall confine itself entirely to the work of financing local land mortgage societies; and (2) that even during this period whenever a local land mortgage society is constituted to serve any local area the Bank shall grant loans only to such society and shall not lend direct to any persons residing within the jurisdiction of the society. The Member said that these suggestions may also be considered in finally revising the By-laws. I am accordingly enclosing another statement, marked B, showing the changes that would have to be made in the By-laws if these suggestions are accepted.

I have also sent up the two sets of amendments to the Registrar for his consideration.

Yours sincerely,
M S Ramchendra Rao

Provided that no a
local land mortgage society
is constituted to serve any local
area the loans shall grant
loans only to such society
shall not lend directly to
any person residing within the
local jurisdiction of the society

APR 16

Existing By-law.

41. The Bank may grant loans either through Local Land Mortgage Societies or direct to individual borrowers.

42. The minimum and maximum amount of loans to be granted to any one person through a Local Land Mortgage Society shall be Rs.500 and Rs.5,000 respectively. Provided that the maximum amount of loans granted through any one such society shall not exceed Rs.30,000 and provided also that the Local Land Mortgage Society shall be surety to the Land Mortgage Bank for all loans granted through it to the members. Loans granted through Local Land Mortgage Societies also, shall be subject to the condition laid down in the By-laws governing direct loans in all other respects. In the case of individuals borrowing direct from the Bank, the loan shall not be less than Rs.2,000 or more than Rs.5,000.

By-law after amendment.

41. The Bank may grant loans to

(1) Local Land Mortgage Societies, and

(2) individual borrowers.

42. (1) The minimum and maximum amount of loans to be granted by the Bank to any one person direct shall be Rs.2,000 and Rs.5,000 respectively.

(2) The minimum and maximum amount of loans to be granted to any one person by an affiliated Local Land Mortgage Society shall be Rs.500 and Rs.5,000 respectively.

(3) No individual member of the Bank shall be entitled to a loan exceeding (twenty five) 16 times the amount of share capital subscribed by him.

(4) No Local Land Mortgage Society shall at any time be indebted to the Bank by way of principal to the extent of more than (its borrowing power as fixed from time to time in its by-laws.) 16 times the amount of share capital subscribed by such Society.

42A. It shall be the duty of the Board of Directors in dealing with applications for loans received from Local Land Mortgage Societies to obtain from the Registrar of Co-

Existing By-law.	By-law after amendment.
	operative Societies full information regarding such societies and to see that loans are granted to them with due care and caution.
44. (i) Loans granted by the Bank shall bear interest at rates fixed from time to time but not exceeding (a) a maximum of eight per cent per annum in the case of long term loans; and (b) a maximum of ...ne per cent per annum on short term loans.	44 (i) Loans granted by the Bank direct to individual borrowers shall bear interest at rates fixed from ti to time but not exceeding (a) a maximum of eight per cent per annum in the case of long term loans; and (b) a maximum of nine per cent per annum on short term loans.
(ii) In the case of loans granted through a Local Land Mortgage Society the rates of interest charged to the Society shall be such as to enable the members borrowing through such society to get loans at rates not exceeding those charged by the Bank to individual persons borrowing direct from it.	(ii) In the case of loans granted to a Local Land Mortgage Society the rates of interest charged to the Society shall not exceed (a) a maximum of seven per cent per annum in the case of long term loans, and (b) a maximum of eight per cent per annum in the case of short term loans.
	(8 (1)
63. The following shall be the office bearers of the Bank:- (1) The President; (2) The Honorary Treasurer, where one such is appointed; and (3) The Secretary.	63. The following shall be the office bearers of the Bank:- (1) The President; (2) The Honorary Treasurer where one such is appointed; (3) The Secretary; and (4) Valuators

Existing By-law.	By-law after amendment.
66. The Secretary shall be a salaried officer. He shall be responsible for the executive administration of the Bank, subject to the control of the President.	66. The Secretary shall be a salaried officer, and shall be responsible for the executive administration of the Bank, subject to the control of the President. He shall be appointed by the Board of Director subject to the approval of Government
	66A. The Valuators shall be salaried officers and shall be responsible for the proper evaluation of properties to be mortgaged to the Bank as security for loans. They shall be appointed by the Board of Directors subject to the approval of Government.
70. Any member of the Board who fails to attend three consecutive meetings of the Board shall be deemed to have ipso facto vacated his office.	70. Any member of the Board who fails to attend three consecutive meetings of the Board without sufficient reasons for such absence, shall be deemed to have ipso facto vacated his office.

M Ruaichemondy

Dr Regd

59. The Board of Directors
Shall consist of a President and not more than 14 members.
The President & one of the members shall be nominated by Govt
The remaining members [and the Proxy] to
Shall be elected by the general body of the members of the Bank

RULES UNDER THE REGULATION.

Existing Rule.	Rule after amendment.
Rule 3 (5) A member of an affiliated Society shall also be a member of the Bank before he can become entitled to take a loan from the Bank.	Rule 3 (5) Omit.
Rule 3 (6) Subject to the bye-laws of the Bank, amounts required by affiliated societies for the grant of loans to their members may be placed at the disposal of such societies, on such societies furnishing lists of applications for loans together with records of investigation relating to the object for which the loan is required, the sufficiency of the security offered and other material particulars necessary for arriving at a decision; provided that it shall be open to the Land Mortgage Bank to require such additional enquiry or information as may be necessary, or to cause any supplementary investigation to be conducted. It shall be open to the Land Mortgage Bank also to reject any individual applications recommended by the affiliated society. ~~except~~ No loan shall be granted by the Land Mortgage Bank to a member of an affiliated society except on application made through such affiliated society.	Rule 3 (6) Subject to the by-laws of the Land Mortgage Bank loans shall be sanctioned to an affiliated society on such society furnishing lists of applications for loans together with the records of investigation relating to the object for which the loan is required, the sufficiency of of the security offered and other material particulars necessary for arriving at a decision and also on its transferring to the Bank the mortgage deeds obtained by it from the borrowers. Provided that it shall be open to the Bank to require such additional enquiry or information as may be necessary or to cause any supplementary investigation to be conducted.
Rule 3 (10) Every affiliated society shall be bound	Rule 3 (10) Every affiliated society shall be bound

Existing Rule.	Rule after amendment.
(a) to administer its work in strict conformity with its by-laws which shall be subject to the approval of the Land Mortgage Bank.	(a) to carry out carefully the rules drawn up for its guidance by the Bank and to submit to the Bank such statements of accounts and reports as may be required b the Bank: and
(b) to carry out carefully the rules drawn up for its guidance by the Bank and to submit to the Bank such statements of accounts and reports as may be required by the Bank; and	(b) to take the sanction of the Bank before raising funds from any source other than the Bank.
(c) not to borrow from any source other than the Bank.	

M Ramachandra Raj.

Dy Regr

BY-LAWS OF THE LAND MORTGAGE BANK.

Existing By-law.	By-law after amendment.
41. The Bank may grant loans either through Local Land Mortgage Societies or direct to individual borrowers.	41. The Bank may grant loans to (1) Local Land Mortgage Societies and (2) individual members. Provided that the Bank shall grant loans direct to individual borrowers for the first two years of its working only and that thereafter its business shall be restricted to the financing of Local Land Mortgage Societies. Provided also that whenever a Local Land Mortgage Society has been constituted to serve a local area the Bank shall not grant loans to any persons residing or carrying on business in such area direct.
42. The minimum and maximum amount of loans to be granted to any one person thro[illegible] a Local Land Mortgage Society shall be Rs.500 and Rs.5,000 respectively. Provided that the maximum amount of loans granted through any one such society shall not exceed Rs.30,000 and provided also that the Local Land Mortgage Society shall be surety to the Land Mortgage Bank for all loans gr granted through it to the members. Loans granted through Local Land	42 (1) The minimum and maximum amount of loan to be granted to any one person either direct by the Bank or by an affiliated Local Land Mortgage Society shall be Rs.500 and Rs.5,000 respectively. (2) No individual person borrowing direct from the Bank shall be entitled to a loan exceeding twenty five times the share capital subscril by him. (3) No Local Land Mortgage Society shall at any time be indebted

Existing By-law.	By-law after amendment.
Mortgage Societies also, shall be subject to the condition laid down in the by-laws governing direct loans in all other respects. In the case of individuals borrowing direct from the Bank, the loan shall not be less than Rs.2,000 or more than Rs.5,000.	indebted to the Bank by way of principal to the extent of more than its borrowing power as fixed from time to time in its by-laws.
	42A. It shall be the duty of the Board of Directors in dealing with all applications received for loans from Local Land Mortgage Societies to obtain from the Registrar of Co-operative Societies full information regarding such societies and to see that loans are granted to them with due care and caution.
44. (i) Loans granted by the Bank shall bear interest at rates fixed from time to time but not exceeding (a) a maximum of eight per cent per annum in the case of long term loans; and b) a maximum of nine per cent per annum on short term loans.	44. (i) Loans granted by the Bank to individual borrowers direct shall bear interest at rates to be fixed from time to time but not exceeding (a) a maximum of eight per cent per annum for long term loans; and (b) a maximum of nine per cent per annum for short term loans.
(ii) In the case of loans granted through a Local Land Mortgage Society the rates of interest charged to the Society shall be such as to enable the members borrowing	(ii) In the case of loans granted by the Bank to Local Land Mortgage Societies the rates of interest shall be fixed from time to time but not exceeding (a) a maximum of seven

Existing by-law.	By-law after amendment.
through such Society to get loans at rates not exceeding those charged by the Bank to individual persons borrowing direct from it.	per cent per annum for long term loans; and (b) a maximum of eight per cent per annum for short term loans.

N. B. The other changes in the By-laws and the Rules will be the same as indicated in Statement A.

M Narancheno Dy
Dy Reg-

Gm. 429

No. 5816-ES
2 1/2 8 pages

Telegraphic Address:
"CO-OPERT"
BANGALORE

DEPARTMENT OF CO-OPERATION.
GOVERNMENT OF MYSORE.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Dated, Bangalore,.....19th April 1930

G.M. 4-29-5

FROM

K. H. RAMAYYA, ESQ., B.A., BAR-AT-LAW,
REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE,
BANGALORE.

Gell. (K.M.)
CHIEF SECRETARY
19 APR. 1930

To

N.Madhava Rao,Esq.,B.A.,B.L.,
Chief Secretary to Government of Mysore,
Bangalore.

Sir,

I have the honour to forward,herewith, a statement showing the amendments to be made in the Byelaws of the Mysore Co-operative Land Mortgage Bank,and in the Rules relating to the Co-operative Land Mortgage Bank and Local Land Mortgage Societies, in accordance with the decision arrived at in the meeting held in the Chambers of the 3rd Member of Council on Tuesday the 1st April 1930. These amendments are marked A. Mr.M.S.Ramachandra Rao,B.A.,Deputy Registrar of Co-operative Societies has also suggested an alternative set of amendments to the Byelaws of the Bank marked B, which,I understand, are based on the understanding that the Bank will be permitted to grant loans less than Rs.2,000/- in size also direct to individual borrowers, subject however to two conditions, viz.,(1) that this practice shall obtain only during the first two years of the working of the Bank and that thereafter the Bank shall confine itself to the financing of local Land Mortgage Societies only and (2) that even during this period of two years, whenever a Local Land Mortgage Society is constituted to serve a local area, the Bank shall grant loans only to such society and not direct to any person residing within the jurisdiction of the society.

Personally, I am of opinion that the 2nd alternative is not very desirable as it takes away the incentive for the formation of primary Land Mortgage Societies during the first two years of the working of the Bank and the formation of such societies thereafter will be rendered very difficult. It is always very desirable to have local organisations for conducting Land Mortgage Bank work. It is advantageous to stick to one principle viz., grant of direct loans by the Bank for sums of --

P.T.O.

of above Rs.2,000/-, smaller sums being lent only by primary Land Mortgage Societies as contemplated in the first set of amendments.

I request that the amendments proposed marked A may be approved and notified.

I have the honour to be,
Sir,
Your most obedient servant

K H Ramayya
Registrar.

16.4.39

BYE-LAWS OF THE LAND MORTGAGE BANK.

Existing Bye-law.	Bye-law after amendment.
41. The Bank may grant loans either through Local Land Mortgage Societies or direct to individual borrowers.	41. The Bank may grant loans to (1) Local Land Mortgage Societies, and (2) individual borrowers.
42. The minimum and maximum amount of loans to be granted to any one person through a Local Land Mortgage Society shall be Rs.500 and Rs.5,000 respectively. Provided that the maximum amount of loans granted through any one such society shall not exceed Rs.30,000 and provided also that the LocalLand Mortgage Society shall be surety to the Land Mortgage Bank for all loans granted through it to the members. Loans granted through Local Land Mortgage Societies also, shall be subject to the condition laid down in the Byelaws governing direct loans in all other respects. In the case of individuals borrowing direct from the Bank, the loan shall not be less than Rs.2,000 or more than Rs.5,000.	42. (1) The minimum and maximum amount of loans to be granted by the Bank to any one person direct shall be Rs.2,000 and Rs.5,000 respectively. (2) The minimum and maximum amount of loans to be granted to any one person by an affiliated Local Land Mortgage Society shall be Rs.500 and Rs.5,000/- respectively. (3) No individual member of the Bank shall be entitled to a loan exceeding sixteen times the amount of share capital subscribed by him. (4) No Local Land Mortgage Society shall at any time be indebted to the Bank by way of principal to the extent of more than its borrowing power as fixed from time to time in its byelaws.
	42 (a). It shall be the duty of the Board of Directors in dealing with applications for loans received from Local Land Mortgage Societies to obtain from the Registrar of Co-operative Societies full information regarding such societies and to see that loans are granted to them with due care and caution.

Existing Byelaw.	Byelaw after amendment.
44.(i) Loans granted by the Bank shall bear interest at rates fixed from time to time but not exceedings.	44.(i) Loans granted by the Bank direct to individual borrowers shall bear interest at rates fixed from time to time but not exceeding—
(a) a maximum of eight per cent per annum in the case of long term loans; and	(a) a maximum of eight per cent per annum in the case of long term loans; and
(b) a maximum of nine per cent per annum on short term loans.	(b) a maximum of nine per cent per annum on short term loans.
(ii) In the case of loans granted through a Local Land Mortgage Society the rates of interest charged to the society shall be such as to enable the members borrowing through such society to get loans at rates not exceeding those charged by the Bank to individual persons borrowing direct from it.	(ii) In the case of loans granted to a local Land Mortgage Society the rates of interest charged to the society shall not exceed—
	(a) a maximum of seven per cent per annum in the case of long term loans, and
	(b) a maximum of eight per cent per annum in the case of short term loans.
59.(a) The Board of Directors shall consist of a President and not more than 14 members. Of the members one shall be nominated by Government as provided in Section 54 of the Mysore Co-operative Societies Regulation 1929 and three shall be selected to represent debenture holders as provided in Section 55 of the Regulation and in accordance with rules to be prescribed by Government. The remaining members and the President shall be elected by the General Body of the members of the Bank.	59.(a) The Board of Directors shall consist of a President and not more than fourteen members. The President shall be nominated by Government. Of the members, three shall be selected to represent debenture-holders as provided in Section 55 of the Mysore Co-operative Societies Regulation 1929 and in accordance with the rules to be prescribed by Government. The remaining eleven members shall be elected by the General Body of the members of the Bank.

Existing Byelaw.	Byelaw after amendment.
61. A retiring President or Director shall be eligible for re-election.	61. A retiring Director shall be eligible for re-election.
63. The following shall be the offic bearers of the Bank:- (1) The President; (2) The Honorary Treasurer, where one such is appointed; and (3) The Secretary.	63. The following shall be the office bearers of the Bank:- (1) The President; (2) The Honorary Treasurer where one such is appointed; (3) The Secretary; and (4) Valuators.
66. The Secretary shall be a salaried officer. He shall be responsible for the executive administration of the Bank, subject to the control of the President. He shall be appointed by the Board of Directors subject to the approval of Government.	66. The Secretary shall be a salaried officer, and shall be responsible for the executive administration of the Bank subject to the control of the President. He shall be appointed by the Board of Directors subject to the approval of Government. 66.(a) The Valuators shall be salaried officers and shall be responsible for the proper evaluation of properties to be mortgaged to the Bank as security for loans. They shall be appointed by the Board of Directors subject to the approval of Government.
70. Any member of the Board who fails to attend three consecutive meetings of the Board shall be deemed to have ipso facto vacated his office.	70. Any member of the Board who fails to attend three consecutive meetings of the Board, without sufficient reasons for such absence, shall be deemed to have ipso facto vacated his office.

JCH Ramayya

Registrar.

RULES UNDER THE REGULATION.

Existing Rule.	Rule after amendment.
Rule 3 (5) A member of an affiliated Society shall also be a member of the Bank before he can become entitled to take a loan from the Bank.	Rule 3 (5) Omit.
Rule 3 (6) Subject to the bye-laws of the Bank, amounts required by affiliated societies for the grant of loans to their members may be placed at the disposal of such societies, on such societies furnishing lists of applications for loans together with records of investigation relating to the object for which the loan is required, the sufficiency of the security offered and other material particulars necessary for arriving at a decision; provided that it shall be open to the Land Mortgage Bank to require such additional enquiry or information as may be necessary, or to cause any supplementary investigation to be conducted. It shall be open to the Land Mortgage Bank also to reject any individual applications recommended by the affiliated society. ~~xxxxx~~ No loan shall be granted by the Land Mortgage Bank to a member of an affiliated society except on application made through such affiliated society.	Rule 3 (6) Subject to the by-laws of the Land Mortgage Bank, loans shall be sanctioned to an affiliated society on such society furnishing lists of applications for loans together with the records of investigation relating to the object for which the is required, the sufficiency of of the security offered and other material particulars necessary for arriving at a decision and also on its transferring to the Bank the mortgage deeds obtained by it from the borrowers. Provided that it shall be open to the Bank to require such additional enquiry or information as may be necessary or to cause any supplementary investigation to be conducted.
Rule 3 (10) Eveyy affiliated society shall be bound	Rule 3 (10) Every affiliated society shall be bound

Existing Rule.	Rule after amendment.
(a) to administer its work in strict conformity with its byelaws which shall be subject to the approval of the Land Mortgage Bank.	(a) to carry out carefully the rules drawn up for its guidance by the Bank and to submit to the Bank such statements of accounts and reports as may be required by the Bank; and
(b) to carry out carefully the rules drawn up for its guidance by the Bank and to submit to the Bank such statements of accounts and reports as may be required by the Bank; and	(b) to take the sanction of the Bank before raising funds from any source other than the Bank;
(c) not to borrow from any source other than the Bank.	

K H Ramaya 19

Registrar.

Existing By-law.	By-law after amendment.
41. The Bank may grant loans either through Local Land Mortgage Societies or direct to individual borrowers.	41. The Bank may grant loans to (1) Local Land Mortgage Societies and (2) individual members. Provided that the Bank shall grant loans direct to individual borrowers for the first two years of its working only and that thereafter its business shall be restricted to the financing of Local Land Mortgage Societies. Provided also that whenever a Local Land Mortgage Society has been constituted to serve a local area the Bank shall not grant loans to any persons residing or carrying on business in such area direct.
42. The minimum and maximum amount of loans to be granted to any one person through a Local Land Mortgage Society shall be Rs.500 and Rs.5,000 respectively. Provided that the maximum amount of loans granted through any one such society shall not exceed Rs.30,000 and provided also that the Local Land Mortgage Society shall be surety to the Land Mortgage Bank for all loans granted through it to the members. Loans granted through Local Land	42 (1) The minimum and maximum amount of loan to be granted to any one person either direct by the Bank or by an affiliated Local Land Mortgage Society shall be Rs.500 and Rs.5,000 respectively. (2) No individual person borrowing direct from the Bank shall be entitled to a loan exceeding twenty five times the share capital subscribed by him. (3) No Local Land Mortgage Society shall at any time be indebted

Existing By-law.	By-law after amendment.
Mortgage Societies also, shall be subject to the condition laid down in the by-laws governing direct loans in all other respects. In the case of individuals borrowing direct from the Bank, the loan shall not be less than Rs.2,000 or more than Rs.5,000.	indebted to the Bank by way of principal to the extent of more than its borrowing power as fixed from time to time in its by-laws.
	42A. It shall be the duty of the Board of Directors in dealing with all applications received for loans from Local Land Mortgage Societies to obtain from the Registrar of Co-operative Societies full information regarding such societies and to see that loans are granted to them with due care and caution.
44. (i) Loans granted by the Bank shall bear interest at rates fixed from time to time but not exceeding (a) a maximum of eight per cent per annum in the case of long term loans; and (b) a maximum of nine per cent per annum on short term loans.	44. (i) Loans granted by the Bank to individual borrowers direct shall bear interest at rates to be fixed from time to time but not exceeding (a) a maximum of eight per cent per annum for long term loans; and (b) a maximum of nine per cent per annum for short term loans.
(ii) In the case of loans granted through a Local Land Mortgage Society the rates of interest charged to the Society shall be such as to enable the members borrowing	(ii) In the case of loans granted by the Bank toLocal Land Mortgage Societies the rates of interest shall be fixed from time to time but not exceeding (a) a maximum of seven

Existing Byelaw.	Byelaw after amendment.
through such society to get loans at rates not exceeding those charged by the Bank to individual persons borrowing direct from it.	per cent per annum for long term loans; and (b) a maximum of eight per cent per annum for short term loans.

N. B.- The other changes in the Byelaws and the Rules will be the same as indicated in Statement A.

Registrar.

No 9 12604 / 4.N 4-29
encls three.

To

The President,
The Mysore Co-operative
Land Mortgage Bank, Ltd.,
Bangalore City.

Dear Sir,

I am enclosing herewith two drafts proposed to be issued for modifying the Bye-laws and Rules relating to the Land Mortgage Bank in accordance with the decision arrived at the meeting with the Hon'ble Member + Dewan on the 15th instant. They may kindly be scruitinised and returned early with your opinion whether they may be passed. Dft. scott file is also sent for their perusal & favour of return

Yours sincerely,

dt 22.4.1930

Sd/- N. Madhava Rao

JSM
21/4

No Q 12864 & 29/4/30.

Rajasabhabhushana K.R. Srinivasaiengar, M.A.,
President, Mysore Co-operative Land Mortgage Bank
B a n g a l o r e C i t y .

I am directed to acknowledge with thanks the receipt of this office file about the amendment to the Bye laws and Rules of the Land Mortgage Bank received with your D.O. letter No. 1525 dated the 26th/28th April 1930.

I have the honor to be,
S i r ,
Your most obedient servant,

Draft 1914

For Chief Secretary to Government.

P.H.

THE MYSORE CO-OPERATIVE LAND MORTGAGE BANK, LTD.

ALBERT VICTOR ROAD, CHAMARAJPET.

D.O. No. 1525/32

RAJASABHABHUSHANA
K. R. SRINIVASIENGAR, M.A.,
PRESIDENT.

BANGALORE CITY.

DATED 26th April 1930
28th

L 6699

I herewith return the drafts of the amendments to the Bye-laws and Rules of the Land Mortgage Bank received with your D.O. of the 22nd instant, with a note containing my opinion thereon.

The Secretariat file received with your letter is also herewith returned.

Yours sincerely,

N. Madhava Rao, Esq., B.A., B.L.,
Chief Secretary to the Government of Mysore,
BANGALORE.

I Note on amended draft Bye-laws.

Bye-law 41: In (1), add the word 'Affiliated' before Local Land Mortgage Societies'.

In (2), for 'Individual borrowers' read 'Individual members'.

42:(1) For ' person ' in line 3, substitute ' individual member '.

(3) For the word ' subscribed ' in line 3, substitute ' paid up '. This won't entail any hardship on the borrower, as the unpaid balance, if any, of his share capital can be recovered by deduction from the loan amount at the time of its payment.

(4) Here also I would substitute the words 'paid up' for 'subscribed' in line 5.

42 A. I do not think this is necessary, as the Board of Directors are certainly expected to deal with all loan applications - whether from individuals or societies - with due care and caution and there is no need to lay particular stress on this point with regard to loans to societies alone.

44 (ii) (a) & (b)

As a good amount of the investigation of loan applications presented to the affiliated societies from its members has to be done by the Valuators whose pay is borne by the Bank, I doubt if it will be possible to make a reduction of 1 per cent in the rate of interest on loans advanced by the Bank to the Societies. I would therefore fix the maximum rate of interest chargeable by the Bank to the Societies at 7½ per cent for long term loans and 8½ per cent for short term loans. This would not stand in the way of lower rates being charged, if the Bank finds that it can afford to do so.

70: For the words 'three consecutive meetings of the Board' substitute 'the meetings of the Board for three consecutive months'.

This alteration is necessary, as occasion may arise for holding more than one meeting in the same month, and it is not desirable to remove a Director for absence at such meetings at short intervals.

I would omit the words 'without sufficient reasons for such absence' in lines 3&4.

In the first place, it is not stated who is to be the judge of the sufficiency of the reason for a Director's absence.

Secondly, considering the apathy shown by some of the Directors, it is desirable that those who take little interest in the Bank and do not attend even one meeting in 3 months, should make room for others who might be more helpful to the Bank.

If any Director loses his seat by reason of his absence due to unavoidable causes, there is nothing to prevent his being renominated to the Board (by Government for the first two years and thereafter by the other members of the Board under Bye-law 69).

II Note on amended draft Rules.

3 (6):In line 9 of the proposed new Rule, for the words 'on its transferring' read 'on condition of its transferring'

This alternative is suggested as there can be no objection to the loan being sanctioned before the transfer of the mortgage deeds is actually made.

3 (10): I don't know why the existing clause (a) which provides for the approval of the Bank being obtained to the Bye-laws of the Societies, is proposed to be omitted. In view of the close association between the Bank and the affiliated societies, it is desirable that the Bye-laws of the societies should be modelled as far as possible on those of the Bank and should be subject to the approval of the Bank.

III Further amendments proposed.

The undermentioned alterations in the Bye-laws are also suggested in addition to those provided in the draft contained in the file.

Bye-law 52: It is neither necessary nor desirable that the title deeds relating to the properties proposed to be mortgaged should be sent with the loan applications. It is sufficient if they are produced by the applicant when required to do so by the Valuator or other officer authorised by the Bank. The Bye-law may therefore be amended as follows:-

" The applicant for a loan shall produce when required all title deeds and other documents relating to the land proposed to be mortgaged by him."

---oo0Ooo---

Bye-law 67: The last sentence is not clearly worded. The appointment of Secretary being obligatory, the sentence may be modified as follows:-

" In the case of share certificates however, they shall be signed both by the President and the Secretary ~~or also by one of the Director~~"

Bye-law 69: As the President is proposed to be nominated by Government, for the words "the President or other Director" in line 2, 'a Director' may be substituted.

-----oo0Ooo-----

Proceedings of the Government of
His Highness the Maharaja of Mysore.

~~Read~~ -

Order No. G. 13303-5/641

Dated, Bangalore 12th May ~~April~~ 1930.

Under Section 53 of the Mysore Co-operative Regulation VII of 1918 as amended by Regulation V of 1929, Govt. are pleased to make certain modifications in the Byelaws of the Mysore Co-operative Land Mortgage Bank issued with G.O. No. G. 5927-8 L.M. 4-29-3 dated 11-11-1929, ~~The Bye-laws as revised are appened to this order.~~ as shown in the appendix.

Chief Secretary to Govt.

To

The Registrar of C.S. in Mysore.
The Revenue Commissioner in Mysore.
The President, L.M. Bank, Bangalore.
Press Table.

~~B y e - l a w s.~~

The following shall be substituted for the bye laws bearing the corresponding numbers :-

41. The Bank may grant loans to

(1) Affiliated Local Land Mortgage Societies, and

(2) Individual ~~borrowers~~. members

Provided that when a Local Land Mortgage Society is constituted to serve any local area, the Bank shall grant loans only to such society and shall not lend direct to any person residing within the local jurisdiction of the society.

42. (1) The minimum and maximum amount of loans to be granted by the Bank to any one ~~borrower~~ individual member direct shall be Rs. 2,000 and Rs. 5,000 respectively.

(2) The minimum and maximum amount of loans to be granted to any one person by an affiliated ~~Local~~ Land Mortgage -- Society shall be Rs.500 and Rs.5,000 respectively.

(3) No individual member of the - Bank shall be entitled to a loan exceeding 16 times the amount of share capital ~~subscribed~~ paid up by him.

(4) No Local Land Mortgage Society shall at any time be indebted to the Bank by way of principal to the extent of more than 16 times the amount of share capital of the Bank ~~subscribed~~ paid up by such society.

42A. It shall be the duty of the Board of Directors in dealing with applications for loans received from Local Land Mortgage -

8 Societies to obtain from the Registrar of Co-operative Societies full information regarding such societies and to see that loans are granted to them with due care and caution.

44. (i) Loans granted by the Bank -- direct to individual ~~borrowers~~ members shall bear interest at rates fixed from time to time but not exceeding

(a) a maximum of eight per cent per annum in the case of long term loans; a n d

(b) a maximum of nine per cent per annum on short term loans.

(ii) In the case of loans granted to a local Land Mortgage Society, the rates of interest charged to the Society shall not exceed

(a) a maximum of seven and a half per cent per annum in the case of long term loans, a n d

(b) a maximum of eight and a half per cent per annum in the case of short term loans

For bye-law 51
Substitute the following:-
"The applicant for a loan shall produce when required all title deeds and other documents relating to the land proposed to be mortgaged by him."

59.(a) The Board of Directors shall consist of a President and not more than fourteen members. The President shall be nominated by Government. Of the members, three shall be selected to represent debenture-holders as provided in Section 55 of the Mysore Co-operative Societies Regulation 1929 and in accordance with the rules to be prescribed by Government. The remaining eleven members shall be elected by the General Body of the members of the Bank

61. A retiring Director shall be eligible for re-election.

members shall be elected by the General Body of the members of the Bank.

63. The following shall be the office bearers of the Bank:-

(1) The President;

(2) The Honorary Treasurer where one such is appointed;

(3) The Secretary; a n d

(4) Valuators.

66. The Secretary shall be a salaried officer, and shall be responsible for the executive administration of the Bank, - subject to the control of the President. He shall be appointed by the Board of -- Directors subject to the approval of Government.

66A. The Valuators shall be salaried -- officers and shall be responsible for the proper valuation of properties to be - mortgaged to the Bank as security for - loans. They shall be appointed by the Board of Directors subject to the approval of Government.

70. Any member of the Board who fails to attend ~~three consecutive meetings of the Board~~ the meetings of the Board for three consecutive months without sufficient reasons for such absence shall be deemed to have ipso facto vacated his office.

For the words occurring at the end of the bye law after "share certificates however" substitute "they shall be signed both by the President and the Secretary"

Byelaw 69.

" Omit the words 'the President or Other' and insert 'a'

Chief Secretary to Govt.

16/4

S. O.

Government of his Highness the Maharaja of Mysore.

GENERAL AND REVENUE DEPARTMENTS.

G. O. No. G. 13303-5--L. M. 4-29-6, dated 12th May 1930.

Bye-laws of the Mysore Co-operative Land Mortgage Bank.

Makes certain amendments in the —— .

ORDER No. G. 13303-5—L. M. 4-29-6, DATED 12TH MAY 1930.

Under Section 53 of the Mysore Co-operative Regulation, VII of 1918, as amended by Regulation, V of 1929, Government are pleased to make certain modifications in the Bye-laws of the Mysore Co-operative Land Mortgage Bank issued with Government Order No. G. 5927-8—L. M. 4-29-3, dated the 11th November 1929, as shown in the Appendix.

N. MADHAVA RAO,
Chief Secretary to Government.

To—The Registrar of Co-operative Societies in Mysore.
The Revenue Commissioner in Mysore.
The President, Land Mortgage Bank, Bangalore
PRESS TABLE.

Exd.—C. K.

No. G. 13303-5—L. M. 4-29-6, dated 12th May 1930.

APPENDIX.

The following shall be substituted for the bye-laws bearing the corresponding numbers :—

41. The Bank may grant loans to

(1) affiliated local Land Mortgage Societies, and
(2) Individual members.

Provided that when a Local Land Mortgage Society is constituted to serve any local area, the Bank shall grant loans only to such society and shall not lend direct to any person residing within the local jurisdiction of the Society.

42. (1) The minimum and maximum amount of loans to be granted by the Bank to any one individual member direct shall be Rs. 2,000 and Rs. 5,000 respectively.

(2) The minimum and maximum amount of loans to be granted to any one person by an affiliated Local Land Mortgage Society shall be Rs. 500 and Rs. 5,000 respectively.

(3) No individual member of the Bank shall be entitled to a loan exceeding 16 times the amount of share capital paid up by him.

(4) No local Land Mortgage Society shall at any time be indebted to the Bank by way of principal to the extent of more than 16 times the amount of share capital of the Bank paid up by such society.

44. (i) Loans granted by the Bank direct to individual members shall bear interest at rates fixed from time to time but not exceeding

(*a*) a maximum of eight per cent per annum in the case of long term loans ; and
(*b*) a maximum of nine per cent per annum on short term loans.

(ii) In the case of loans granted to a local Land Mortgage Society, the rates of of interest charged to the Society shall not exceed

(*a*) a maximum of seven and a half per cent per annum in the case of long term loans, and

(*b*) a maximum of eight and a half per cent per annum in the case of short term loans.

For Bye-law 51 substitute the following :—

" The applicant for a loan shall produce when required all title deeds and other documents relating to the land proposed to be mortgaged by him. "

59. (*a*) The Board of Directors shall consist of a President and not more than fourteen members. The President shall be nominated by Government. Of the members, three shall be selected to represent debenture holders as provided in Section 55 of the Mysore Co-operative Societies Regulation, 1929, and in accordance with the rules to be prescribed by Government. The remaining eleven members shall be elected by the General Body of the Members of the Bank.

61. A retiring Director shall be eligible for re-election.

63. The following shall be the office-bearers of the Bank :—

(1) The President;
(2) The Honorary Treasurer where one such is appointed ;
(3) The Secretary ; and
(4) Valuators.

66. The Secretary shall be a salaried officer, and shall be responsible for the executive administration of the Bank, subject to the control of the President. He shall be appointed by the Board of Directors subject to the approval of Government.

66A. The valuators shall be salaried officers and shall be responsible for the proper valuation of properties to be mortgaged to the Bank as security for loans. They shall be appointed by the Board of Directors subject to the approval of Government.

67. For the words occurring at the end of the bye-law after " share certificates however, " substitute " they shall be signed both by the President and the Secretary. "

Bye-law 69—Omit the words " the President or other " and insert " a ".

70. Any member of the Board who fails to attend the Meetings of the Board for three consecutive months shall be deemed to have *ipso facto* vacated his office.

WD 3261—GPB—490—21-5-30

C.R.M.L-29-7 G/3396 & 12.5.30

Notification.

In exercise of the powers conferred on them by Section 66 of the Mysore Co-operative Regulation VII of 1918 as amended by Regulation V of 1929, the Government of His Highness the Maharaja of Mysore are pleased to make the following modifications in the Rules of the Mysore Co-operative Land Mortgage Bank issued with Notfn.No.G.5929-L.M.4-29-4 dated 11th Novr. 1929:--

Rule 3 (5) will be omitted.

For Rule 3 (6), the following shall be substituted :-

"Subject to the bye-lawsof the Land Mortgage Bank, loans shall be sanctioned to an affiliated society on such society furnishing a list of its members who have applied for loans together with the records of investigation relating to the object for which the loans are required, the sufficiency of the security offered and other material particulars necessary for arriving at a decision and also on condition of its transferring to the Bank the mortgage deeds obtained by it from the borrowers. Provided that it shall be open to the Bank to require such additional enquiry or information as may be necessary or tc cause any supplementary investigation to be conducted."

For clause (c) of Rule 3 (10) the following shall be substituted :-

"Every affiliated society shall be bound (a) to carry out carefully the rules drawn up for its guidance by the Bank and to submit to the Bank such statements of accounts and

reports as may be required by the Bank;, and

(b) to take the sanction of the Bank before raising funds from any source other than the Bank".

By order,

Chief Secretary to Govt.

To

The Compilor, Mysore Gazette, for publication in Part III Of the Gazette.

Memo No. G. 13307-9.

Copy of the above is forwarded with compliments to -

1. The Registrar of C.S.Mysore,
2. " Rev. Commr.
3. " President, L.M.Bank, Bangalore,

for information.

By order,

Chief Secretary to Govt.

MRN.

16/4

NOTIFICATION.

No. G. 13306—*L. M.* 4-29-7, *dated* 12*th May* 1930.

In exercise of the powers conferred on them by Section 66 of the Mysore Co-operative Regulation, VII of 1918, as amended by Regulation V of 1929, the Government of His Highness the Maharaja of Mysore are pleased to make the following modifications in the Rules of the Mysore Co-operative Land Mortgage Bank issued with Notification No. G. 5929– L. M. 4 29-4, dated the 11th November 1929:—

Rule 3 (5) will be omitted.

For Rule 3 (6), the following shall be substituted:—

"Subject to the bye-laws of the Land Mortgage Bank, loans shall be sanctioned to an affiliated society on such society furnishing a list of its members who have applied for loans together with the records of investigation relating to the object for which the loans are required, the sufficiency of the security offered and other material particulars necessary for arriving at a decision and also on condition of its transferring to the Bank the mortgage deeds obtained by it from the borrowers. Provided that it shall be open to the Bank to require such additional enquiry or information as may be necessary or to cause any supplementary investigation to be conducted."

For clause (c) of Rule 3 (10) the following shall be substituted.

"(c) to take the sanction of the Bank before raising funds from any source other than the Bank."

By Order,
N. MADHAVA RAO,
Chief Secretary to Government.